

MINUTES OF THE CHESHIRE TOWN COUNCIL PERSONNEL COMMITTEE AND SPECIAL TOWN COUNCIL MEETING HELD ON WEDNESDAY, JANUARY 28, 2015, AT 7:30 P.M. IN ROOM 207, TOWN HALL, 84 SOUTH MAIN STREET, CHESHIRE CT 06410

Present

Personnel Committee Chairman Thomas Ruocco; Liz Linehan, Peter Talbot
Council Members Sylvia Nichols and Robert J. Oris
Staff: Town Manager Michael A. Milone.

1. ROLL CALL

The clerk called the roll and a quorum was determined to be present.

2. PLEDGE OF ALLEGIANCE

The group Pledged Allegiance to the Flag.

3. STATUS REPORT ON TOWN MANAGER'S GOALS AND OBJECTIVES.

Mr. Milone distributed a copy of the Town Manager's Goals and Objectives FY 14-15/ Status Report, January 28, 2015. He reviewed the document with the Council members, and highlighted the status of each goal and objective.

I. Preserve Financial Stability and Sustainability of Town Operations.

The financial health and stability of the Town is the single most important item to be dealt with. Mr. Milone cited the budget surplus of \$943,714; fund balance of \$9.383M/9.38% of budget expenditure; highest tax collection rate of 99.78%; high medical trust fund balance of \$1.6M; new grand list growth and \$866,000 additional revenue -- a combination of residential and commercial real estate and personal property increase. The grand list growth budget was \$630,000.

Bond Sale - scheduled for February 2015. Mr. Milone informed the Council there will be a meeting on February 3rd with Wall Street representatives to review the many things Cheshire has done from a management perspective (i.e debt service reduction, good reserve accounts). It is hoped the Town will get an upgrade in its credit rating. Mr. Milone advised the Town is switching to Standard & Poors from Moody's due to many issues with Moody's ratings, including the firm's unwillingness to upgrade municipal/town credit ratings. The interest assessment on the bonds is 3.25%, but it could be 10 to 20 basis points less, with each point an \$11,000 savings per year on the bonds. Total savings could be \$55,000 for each year of the bond issue.

Medical Benefits - The Town has been dissatisfied with the quality of service and oversight from Anthem, and demanded a claims audit be conducted by a 3rd party, and this is in process at no cost to the Town. The insurance benefits program is out to bid; the consultant has the bids and will do an analysis; and meet with Town officials next week. A decision will be made on whether to move the medical benefits program away from Anthem or use their issues as leverage for better rates. The Town and BOE

programs were a combined bid. Mr. Milone noted that a medical benefits trust fund policy is established, which will be discussed with the Budget Committee.

The Covanta Agreement is finalized for savings of about \$35,000 with lower tip fee.

The Town Manager continues the pursuit of the WWTP claim filed with the Claims Commission, and is in constant communication with the State Legislative Delegation on this matter.

Energy Performance Contract - more than 1/2 of the projects are completed and the Town received a \$860,000 rebate.

West Main Street Development - The Town is working with the State, and awaits a response on the STEAP sidewalk grant application. CHA is making more improvements on their West Main Street properties. The Town is working with the Ball & Socket group on the site development; the Linear Trail is on track to start construction with 11/1/15 completion date; dredging has been done on West Main Street which will reduce potential for flooding on the Trail.

Town Center - a meeting was held with property owners on South Main Street, and the Town is expected to have responses to changes along Route 10.

Land Acquisition - a new strategy is under way for acquisition of land; the Town is more aggressive and reactive, looking at opportunities for land and property enhancement.

Succession Plan - this is a priority for Mr. Milone. Through a webinar of his professional organization he developed a template for departments to follow in the succession plan. One item involves staff keeping a diary of things that occur, i.e. snow storm planning in October, information and knowledge transferred. The Town has good policies and regulations in place; some need to be updated or codified; the biggest challenge is the knowledge transfer. There have been suggestions to take videos of people and their work, talking about issues, programs, processes, so there is a first hand account of the qualitative information to be transferred. There will be profiling of staff, to get a sense of who is approaching retirement, starting with years where the Town is the most vulnerable in the short run. This will be a multi-year effort. A critical part of all this is creation of cultural sustainability, and the Town must have an underlying culture of professionalism, management, enrichment, and engagement to make the goals of successful planning.

II. Provide Programs that support staff morale and enhance effectiveness to ensure the highest level of customer service.

Mr. Milone explained the many programs ongoing for Town staff. These include enrichment programs, professional development, expansion of wellness programs such as noon walks, yoga twice a week, payment for health club membership, Arts Place workshops and art classes, Fun At Work Day, music program on February 6th with each staff member using a kazoo, mindfulness initiative for department heads, and

expansion to all staff. The goal is to work towards controlling the way we act and not react, reduction of stress, creation of a calm, efficient, highly motivated working environment.

The Newsletter needs enhancement, finding different ways to reach all employees. Customer service is a big part of everyone's job and is included in performance evaluations. Munis training is being expanded, with the goal of payroll desegregated to department level for a more active role in the payroll process.

Mr. Milone commented on the fact that if people feel better they do better, and the request of employee feedback on what can be done and how to enhance skills.

III. Improve operational efficiency and effectiveness.

Mr. Milone reviewed and highlighted the status of goals in this category.

Police Department reorganization completed; CPD had full staffing for a short time; two retirements have been submitted; there will be promotion of officers within the CPD and the Chief has a list of active, qualified candidates to be hired.

Technology - virtual desktop implementation will be completed soon, with a reduction in computer expenses; updated software has been received that is more efficient; and there will be a report to the Council.

WPCD consumption based fee report was given to the Council in December.

Public Works and Parks and Rec Departments have integrated and combined maintenance for the snow removal work resulting in 14 shorter routes, better staff deployment, and more efficient completion of snow removal. Sidewalk snow clearing is delayed until more crews can do the work, saving time and money. During the winter months crews are deployed to do interior work on Town buildings, including the pool.

Building Official - the Town hired a new Building Official who has new ideas, and he has enhanced department efficiency, operating procedures and responsiveness. There will be building permits secured on-line under the new organized and streamlined process, and collaboration between Building, Engineering, Planning and Fire Marshall departments.

The formation of the Juvenile Review Board has commenced, with many people applying to serve on the JRB. A recommendation will be made to the Council as soon as the members are selected.

Human Services Director Piccerillo and staff are working with a group to address problems of unsafe living conditions and hoarding, with people bringing attention to concerns about elderly neighbors.

Library reorganization included elimination of one 30 hour position, and creation of three positions with 5 more hours per week. The Library will have Sunday winter hours and Saturday summer hours. Director Burkey is now responsible for the Fine Arts Department, and the reorganization has had a very positive impact on the Library.

Implementation of credit card use for tax payments will take place in July with on-line tax payments. The software gives people the ability to look up their account, history of payments, and make payments.

IV. Enhance communication with all stakeholders to foster citizen awareness of and involvement in Town Government, to maintain a high level of engagement and transparency.

With the implementation of the Social Media Committee, Facebook and Twitter, the use of social media is more interesting and resourceful, as demands for more information continue to grow. The web site is important and is the primary means of communication to the public. There was a brief discussion about "boosting" a web site post, at cost of \$5 per post, to reach more people. Cable access transmission has been enhanced, and the cycle of televising one meeting of a board, commission or committee, is almost completed.

Cheshire is the "Bedding Capital of Connecticut" and Mr. Milone advised that this designation is being promoted by the Town, and is on all town government documents. A letter was sent to local growers for suggestions and ideas to promote Cheshire, and for them to get more involved with this significant designation.

Meetings Calendar has been developed; the integrated calendar will be completed in one month; the events calendar is on the web site.

Mr. Milone pointed out that the Town staff has an ongoing and responsive relationship with the media. The members of the press talk to department heads about details of issues, specific information, and sometimes gets additional comments from the Town Manager. Town Government is responsive, and there is openness and transparency; facts are given to the press; and the press assigned to Town Hall are very factual in their work. Members of the press, present for the meeting, informed the Council that Cheshire town government and staff are responsive to them, are informative, and there is openness and transparency.

V. Initiate, Advance or Complete Key Town Projects.

Mr. Milone stated that energy conservation, rebate program, C-PACE program, have high interest. Streetlight ownership RFP was issued in January, and this could save the Town lots of money. Solar power RFP has been issued, and could also generate savings to the Town. Open space management maintenance plan and land acquisition policy revisions will be taken up with the Council, and will be completed by end of 2015.

ICMA - Mr. Milone informed the Council that he is an ICMA member and credentialed by this professional organization. He puts together a study plan and its benefits,

annually for submission to ICMA, and it reports on what was done relative to what was planned. This year his report was 29 pages, and Mr. Milone took 75 hours of ICMA workshops, and lectures at University of New Haven. Every five years ICMA requires a 360 degree assessment from the Town Manager and he will undertake this assessment in 2015. Mr. Milone will go to the Council, press, public (contact a cross section of 30 people) for an evaluation on his strengths and weaknesses and based on this, he develops his work program to address his weaknesses. His report will be submitted to ICMA in July/August 2015.

Questions and Comments

Regarding the highest grand list in 10 years, Mr. Ruocco asked if there was any step up effort for the grand list this year, and status of the W. S. Development project in the north end of Town.

Mr. Milone will be meeting very soon with W.S. Development representative Lou Masiello to find out what is going on with this project. There is \$410,000 of potential revenue in this year's budget, with more revenue in next year's budget if the project moves forward as anticipated. The company is going to PZC for a permit extension request.

Mr. Ruocco asked about other refinancing opportunities.

According to Mr. Milone there is no potential for these opportunities. He will be meeting with the financial advisor on Thursday, and will ask this question. Mr. Milone said the Town could have a bond outstanding at 4%, go in the market and refinance at 2%, but the problem is that the Town cannot refinance debt any time it wants. It can only be financed when there is a call provision, or close to a call provision. In some cases the Town has done an advanced refunding, but only when the call window is soon enough that significant money can be saved, even though two debt repayments are outstanding at the same time.

A question was posed by Mr. Ruocco about the medical benefits insurance and when it was last out to bid.

There has been informal solicitation. Mr. Milone said there has not been a full scale bid since 8 or 9 years ago...as is being done now.

It was recommended by Mr. Ruocco that the medical benefits insurance be bid every 2 or 3 years. He commented on having a competitive bid, companies becoming complacent, and bidding every three years is beneficial for any insurance product.

Mr. Milone pointed out there are two other RFPs out there. The Town is doing the medical benefits consultant and insurance consultant in the next month. A full scale bid was not done with Anthem because every time a formal solicitation was done, the company modified their rates, reduced them, and accommodated the Town with savings. However, delivery, quality and efficiency of Anthem services were not good.

Regarding economic development, Mr. Oris stated the Town must focus on prudent economic development to grow the grand list. He suggested the Economic Development Commission put together a strategy, develop a plan to attract economic development for larger grand list growth. This would reduce the tax burden on residential tax payers. Mr. Oris believes the Town must be more welcoming to new businesses, create a main street near the walking trail, provide economic services to the community, reduce the residential tax burden, and enhance the economic environment. This would require a strategic plan to get done, to sell the Town, and look at what can be done to make the Town more marketable.

In that regard, Ms. Nichols stated the people of Cheshire need to support new businesses and economic development. She noted that many new local businesses have closed due to lack of economic support.

Mr. Ruocco stated Cheshire must play to its strengths. The Town is a great place for a business, has a central location, growth is available, but marketing is needed.

With Cheshire the "Bedding Capital" of the State, Mr. Milone questioned whether this is being exploited to the major extent to get ancillary businesses into Town. He suggested the Council read the Land Acquisition Policy, and noted it included changing the approach to property acquisition. Some towns and cities get into economic development and leveraging -- but Cheshire has never done this...and maybe it should. When a piece of property is dormant for 20 years it may be time to change the Town's approach in dealing with this.

Two other components should be included in any discussion -- the Economic Development Commission and Planning and Zoning Commission. Mr. Milone stated the importance of everyone talking about the same thing so there is continuity and focus in where we want to go. He reported that the PZC is working on updating and revising the Plan of Conservation and Development (POCD) which is a blueprint for where the Town goes with development.

The POCD committee received a great deal of information and input from David Pelletier, EDC Chairman, and Economic Development Coordinator Sitko related to the economic development of the Town.

It was reiterated by Mr. Oris that the Town has strengths to be recognized, but a marketing strategy is needed for economic development and grand list growth.

According to Mr. Milone the grand list growth, \$866,000, is the largest in 12 years, but to maintain the budget the Town needs \$3 million to support it.

Mr. Ruocco stated the Town of Cheshire needs to do some proactive marketing at a low cost. He noted the great location of the Town, good tax incentive policy, ranked #39 in

the country for a town its size, with an educated population, and many other positives to be presented.

Before adjournment, Mr. Milone reminded the Council of the Budget Committee Meeting scheduled for Thursday, February 5th, 7:30 p.m. in Room 207, Town Hall.

4. ADJOURNMENT

MOTION by Mr. Oris; seconded by Mr. Talbot

MOVED to adjourn the meeting at 9:05 p.m.

VOTE The motion passed unanimously by those present.

Attest:

Marilyn W. Milton, Clerk